

## Calculate CRM Total Cost Of Ownership

**Although it may look and sound complicated, calculating the Total Cost of Ownership (TCO) for on demand CRM is as simple as elementary subtraction.**

Or to go one step further, more money will be going into your business rather than the system that struggles to support it. The on demand model affords customers greater flexibility in accessibility and product, hassle free hosting of information, upgrades year round and greater security of information, just to name a few perks!

For those not using on demand CRM allow me to break down its cost effectiveness versus out of the box or custom built solutions:

For starters you can take your current IT costs and subtract all your hours and dollars spent on system maintenance, upgrades, integration and up keep.

Now further subtract the cost incurred for hosting your current network or CRM application. If it is in house then you can deduce server costs, power costs etc... If you host via third party you can go ahead and drop that cost all together.

So things are starting to look a little brighter!

For those who currently use an out of the box CRM system, you can go ahead and knock off the costs incurred for support, training, customization and yearly upgrades, and every other hidden fee you incur.

I am sure that by now some of you are probably feeling a little skeptical; and I don't blame you, the potential to save this much money definitely warrants some initial second guessing. But don't let me convince you, see for yourself and put your worries to rest once and for all.

No upfront costs - with on demand CRM, the software is already built and it is entirely hosted online, all you have to do is subscribe and start using it.

No downloads - the on demand CRM platform ensures you are never burdened by continual downloads cluttering up your computer and network while slowly eating up your memory.

No hosting fees - the on demand platform is designed, built and maintained by an expert IT staff, hosted at an external secure location with manned security personnel. Enabling you the user to focus solely on your business and only your business.

Free upgrades - with the flexibility of the on demand CRM model, top CRM vendors can offer continual and seamless updates and enhancements to their solution.

Security of Information - a common misconception with the on demand platform is the issue of information security. While many find comfort in having their information hosted on site, they are in fact more vulnerable to intruders or hackers, or disgruntled employees then they would be by using the ASP/on demand platform. A good CRM vendor out sources the hosting of their servers to ISP providers, thus guaranteeing greater security and up time for their customers.

There is no denying the aforementioned facts, on demand CRM offers you greater bang for your buck when compared to the conventional out of the box offerings. On demand CRM removes the headaches

of IT maintenance along with its hefty costs, it optimizes your employee work rate and in turn, allows you to bring in more money while spending less. Not to mention your company info could not be more secure! Colin Duffy Expert Author Published: 2006-08-28